

BUDGET MONTH-ELEVEN

Good news! You had a summer job, and you have \$500 extra dollars. Your uncle/aunt agree to match the amount, giving you \$1000. You decide to invest it plus any additional disposable income, if any, in stocks. Since you are not 18 years old, you will need a co-investor. That person can be your parent or guardian.

Questions to be answered:

What is the stock market? _____

What are the risks associated with investing money in the stock market? _____

What are the three main stock exchanges in the United States? _____

Where can you find information on stocks? _____

What job does a broker perform? _____

What information should you research about a stock before you purchase it? _____

Select 4-6 stocks that interest you and state why you have chosen them?

| Name of Stock and Symbol and Why It Interests You. | Stock Exchange of Listing | Number of Shares | Purchase Price |
|--|---------------------------|------------------|----------------|
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Month-Eleven Ledger Sheet

| Disposable Income and \$1000.00 | Stock Purchases | Other Monthly Expenses (Apartment Rent, Insurance, Clothing, Gasoline, Entertainment, Food and Utilities, and, Car Payment and Insurance, Health and Life Insurance, 401-k retirement contribution) | Running Balance |
|------------------------------------|-----------------|---|-----------------|
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How much do you have left for savings after Month-Eleven? _____

Mutual Fund Investments From Lesson 8

| Mutual Fund | Purchase Price | Current Price | Money Earned Toward Retirement |
|-------------|----------------|---------------|-----------------------------------|
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| | | | |

Keeping Track of Your Stocks

| Name of Stock and Symbol and Number of Shares Purchased | Stock Exchange of Listing | Purchase Price Per Share At The Beginning Of The Two- week Period | Current Price Per Share At The End Of The Two-week Period | Money Earned/Lost During The Two- week Period |
|--|------------------------------|---|---|--|
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Transparency #1

The Companies of the Dow Jones Industrial Average¹

| <u>Company Name</u> | <u>Economic Sector</u> | <u>Market Sector</u> |
|---|-------------------------------|------------------------------|
| Alcoa Inc. (AA) | Basic Materials | Basic Resources |
| American Express Co. (AXP) | Financial | Financial Services |
| AT&T Corp. (T) | Telecommunications | Telecommunications |
| Boeing Co. (BA) | Industrial | Industrial Goods & Services |
| Caterpillar Inc. (CAT) | Industrial | Industrial Goods & Services |
| CitiGroup Inc. (C) | Financial | Financial Services |
| Coca-Cola Co. (KO) | Consumer Noncyclical | Food & Beverage |
| E.I. DuPont de Nemours & Co. (DD) | Basic Materials | Chemicals |
| Eastman Kodak Co. (EK) | Consumer Cyclical | Cyclical Goods & Services |
| Exxon Mobil Corp. (XOM) | Energy | Energy |
| General Electric Co. (GE) | Industrial | Industrial Goods & Services |
| General Motors Corp. (GM) | Consumer Cyclical | Automobiles |
| Hewlett-Packard Co. (HPQ) | Technology | Technology |
| Home Depot Inc. (HD) | Consumer Cyclical | Retail |
| Honeywell International Inc. (HON) | Industrial | Industrial Goods & Services |
| Intel Corp. (INTC) | Technology | Technology |
| International Business Machines Corp. (IBM) | Technology | Technology |
| International Paper Co. (IP) | Basic Materials | Basic Resources |
| J.P. Morgan Chase & Co. (JPM) | Financial | Banks |
| Johnson & Johnson (JNJ) | Healthcare | Healthcare |
| McDonald's Corp. (MCD) | Consumer Cyclical | Cyclical Goods & Services |
| Merck & Co. Inc. (MRK) | Healthcare | Healthcare |
| Microsoft Corp. (MSFT) | Technology | Technology |
| 3M Co. (MMM) | Industrial | Industrial Goods & Services |
| Philip Morris Cos. Inc. (MO) | Consumer Noncyclical | Noncyclical Goods & Services |
| Proctor & Gamble Co. (PG) | Consumer Noncyclical | Noncyclical Goods & Services |
| SBC Communications Inc. (SBC) | Telecommunications | Telecommunications |
| United Technologies Corp. (UTX) | Industrial | Industrial Goods & Services |
| Wal-Mart Stores Inc. (WMT) | Consumer Cyclical | Retail |
| Walt Disney Co. | Consumer Cyclical | Media |

¹ Dow Jones Industrial Average as of March 31, 2002. This list is subject to change.

Transparency # 2

Reading A Stock Table

New York Stock Exchange Composite Transactions Monday, June 17, 2002

| YTD % Chg | 52 weeks | | Stock (SYM) | Div | Yld % | P/E | Vol 100s | Close | Net Chg |
|--------------|----------|-------|------------------|--------|----------|-----|-------------|---------|------------|
| | Hi | Lo | | | | | | | |
| 07.0 | 44.91 | 24.20 | (Am Express AXP) | \$0.32 | 0.8 | 37 | 61875 | \$38.20 | 2.24 |
| 17.2 | 57.91 | 42.59 | (Coca-Cola KO) | \$0.80 | 1.4 | 35 | 34183 | \$55.25 | 0.40 |
| 03.9 | 30.29 | 15.50 | (Disney DIS) | \$0.21 | 1.0 | 38 | 51614 | \$21.53 | 0.50 |
| 16.7 | 68.17 | 39.17 | (Gen Motor GM) | \$2.00 | 3.5 | 32 | 35726 | \$56.73 | 1.28 |
| -2.7 | 47.00 | 37.68 | (Heinz HNZ) | \$1.62 | 4.1 | 17 | 10952 | \$39.99 | 0.61 |